

CUNA Indiana  
**MEMBERSHIP BENEFITS  
REPORT**

## Indiana

### The Benefits of Membership

Credit unions generally provide financial benefits to members through lower loan rates, high savings rates, and fewer fees than banking institutions.

The Credit Union National Association (CUNA) estimates that Indiana credit unions provided \$152,636,197 in direct financial benefits to the state's 2,427,367 members during the twelve months ending June 2017.

**These benefits are equivalent to \$63 per member or \$119 per member household <sup>(1)</sup>.**

Estimated total benefits of credit union membership are calculated by accounting for differences in credit union and bank pricing. Specifically, average credit union savings account yields, loan interest rates and fees are compared to average bank savings account yields, loan interest rates and fees. The interest rate differences are then applied to respective average credit union loan and savings balances. Fee differences are weighted and applied to credit union non-interest income to obtain the total estimated benefits arising from fees.

The per-member and per-household benefits delivered by Indiana credit unions are substantial, but these benefits are averages. Mathematically, that means the total benefits provided are divided across all members (or all member households) - even those who conduct very little financial business with Indiana credit unions.

Consider this:

**Financing a \$25,000 new automobile for 60 months at a Indiana credit union will save members an average \$123 per year in interest expense compared to what they would pay at a banking institution in the state.**

Further, loyal members - those who use the credit union extensively - often receive total financial benefits that are much greater than the average.

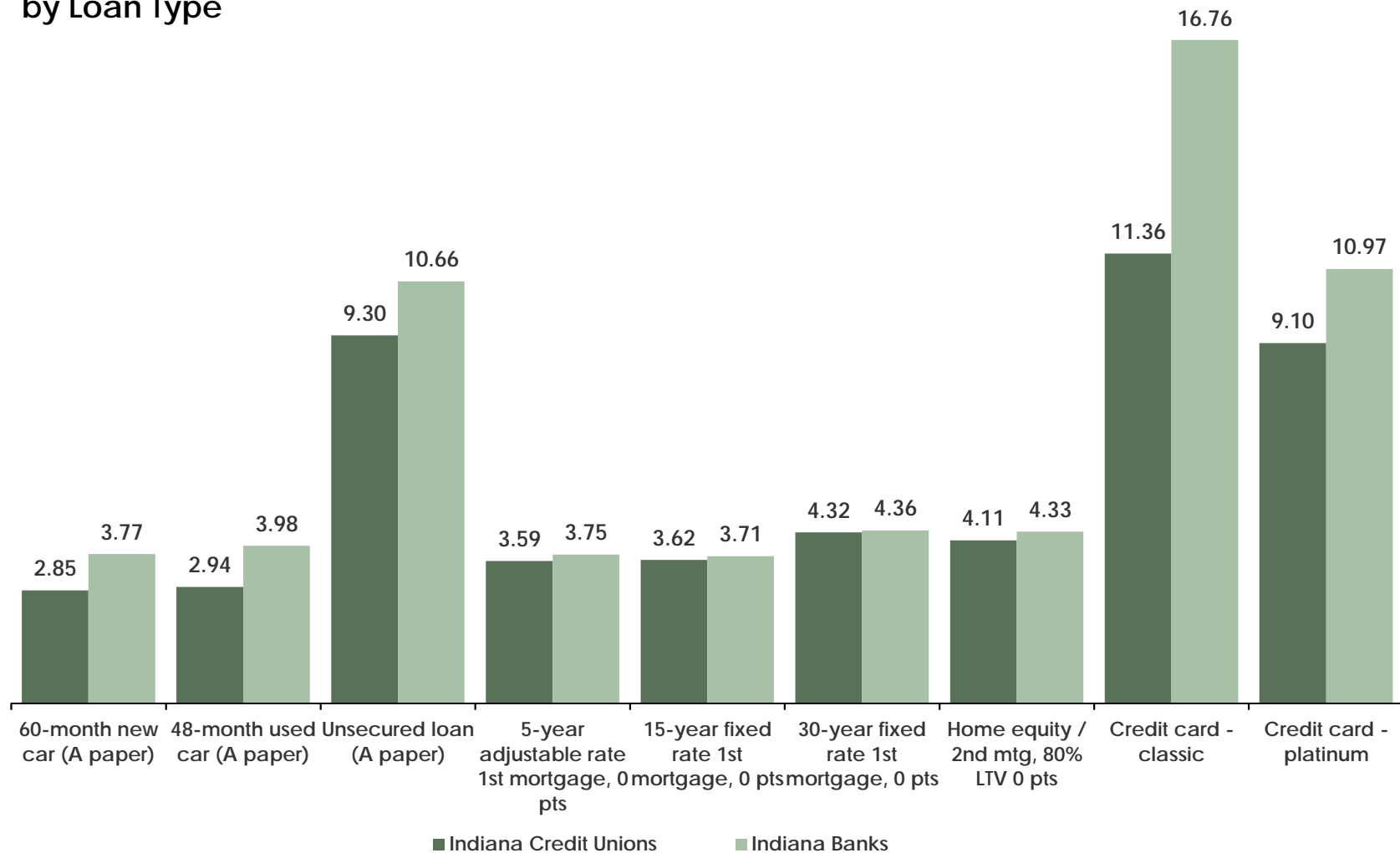
Indiana credit unions excel in providing member benefits on many loan and savings products. In particular, Indiana credit unions offer lower average loan rates on the following accounts: new car loans, used car loans, personal unsecured loans, first mortgage-fixed rate, first mortgage-adjustable rate, home equity loans, credit cards loans.

Indiana credit unions also pay members higher average dividends on the following accounts: regular savings, share draft checking, money market accounts, certificate accounts, IRAs.



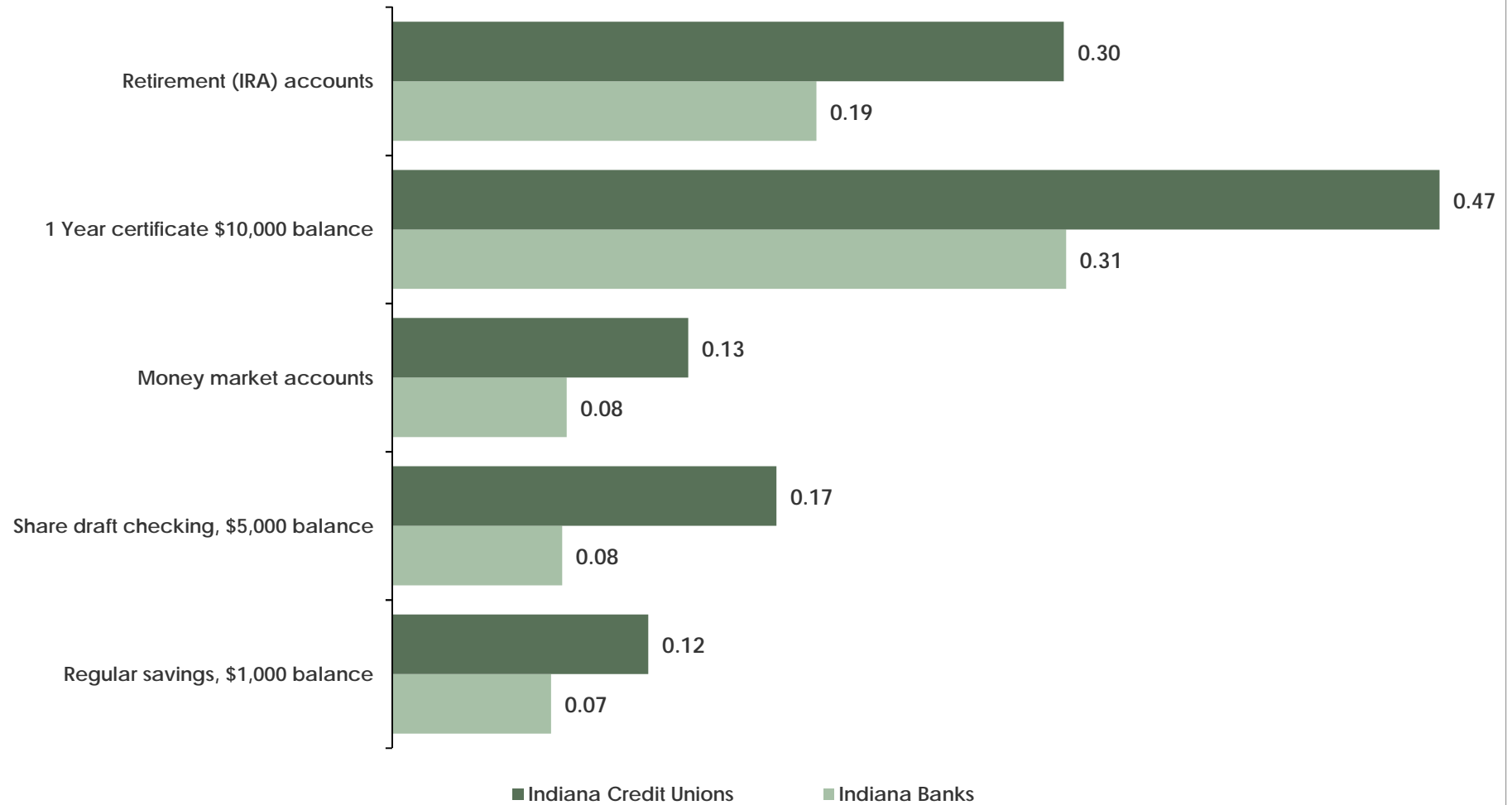
## Loan Product Comparative Interest Rates (%)

by Loan Type



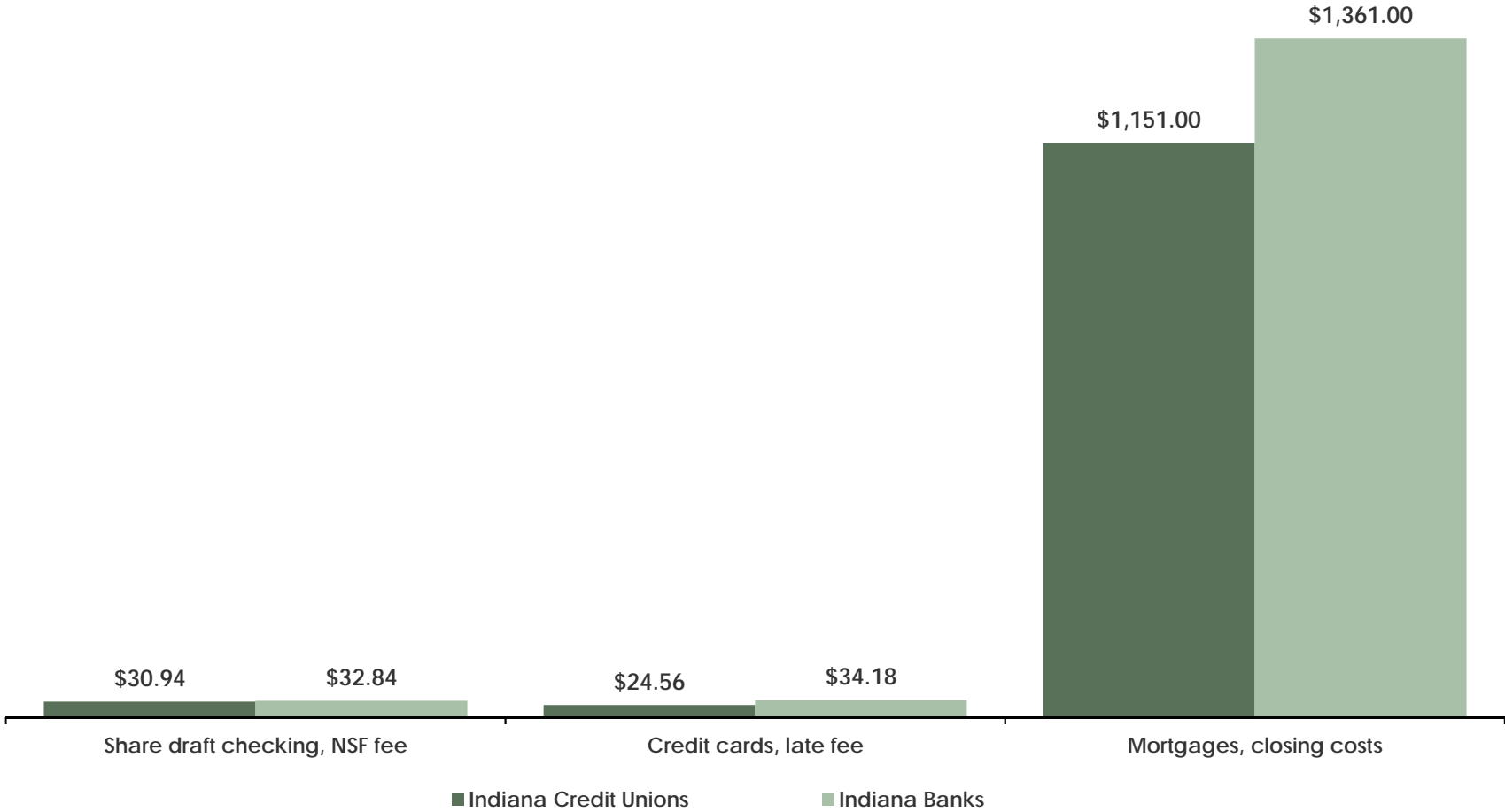
## Savings Product Comparative Interest Rates (%)

### by Savings Account Type



## Comparative Fees

by Type



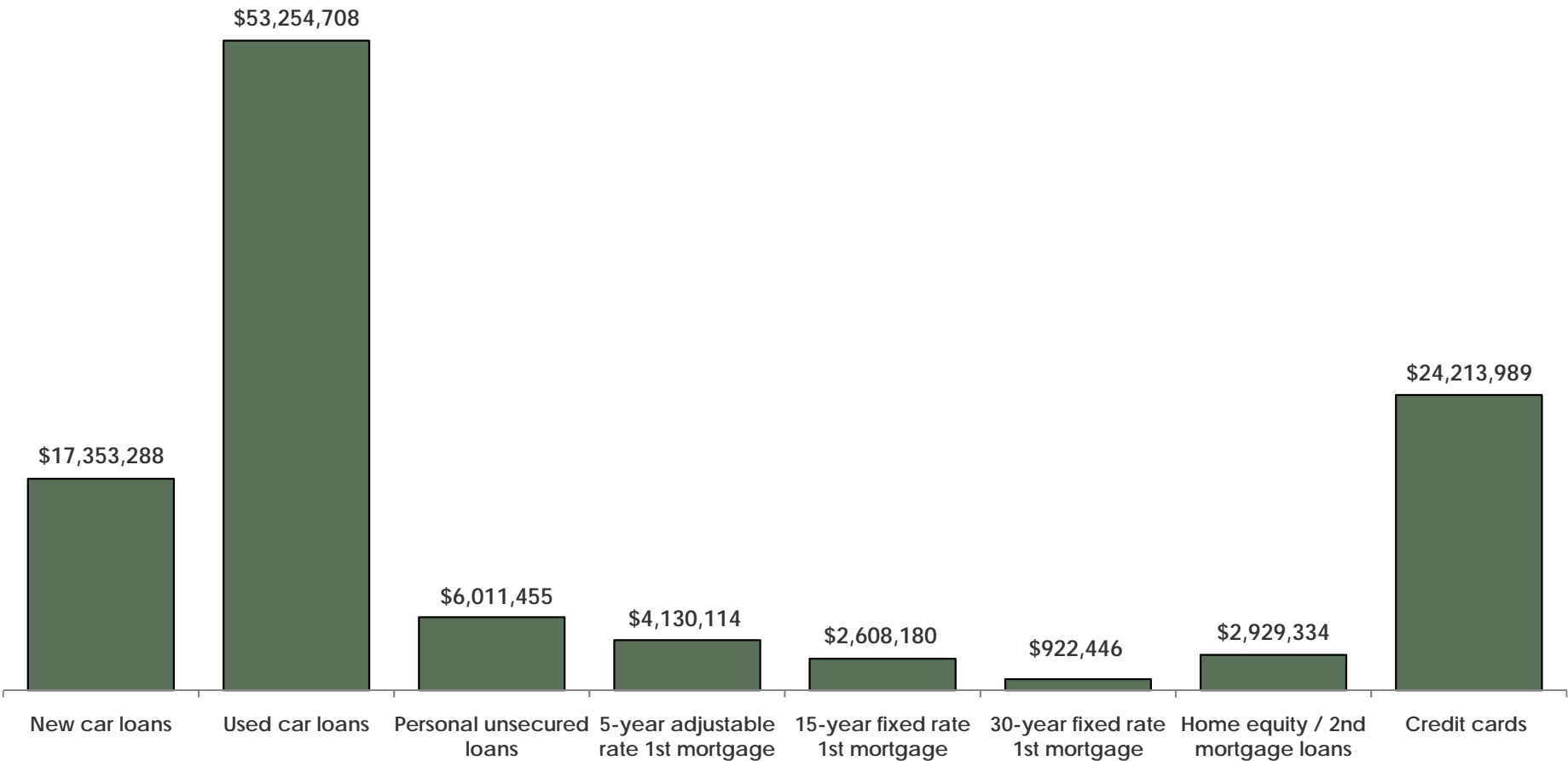
## Indiana Credit Union and Banking Institution June 2017 Average Interest Rates and Fees

Loan Products	Average Rate at Credit Unions (%)	Average Rate at Banks (%)	Rate Difference vs. Banks (%)
60-month new car (A paper)	2.85	3.77	-0.92
48-month used car (A paper)	2.94	3.98	-1.05
Unsecured loan (A paper)	9.30	10.66	-1.36
5-year adjustable rate 1st mortgage, 0 pts	3.59	3.75	-0.16
15-year fixed rate 1st mortgage, 0 pts	3.62	3.71	-0.09
30-year fixed rate 1st mortgage, 0 pts	4.32	4.36	-0.04
Home equity / 2nd mtg, 80% LTV 0 pts	4.11	4.33	-0.22
Credit card - classic	11.36	16.76	-5.40
Credit card - platinum	9.10	10.97	-1.87
Savings Products			
Regular savings, \$1,000 balance	0.12	0.07	0.04
Share draft checking, \$5,000 balance	0.17	0.08	0.10
Money market accounts	0.13	0.08	0.06
1 Year certificate \$10,000 balance	0.47	0.31	0.17
Retirement (IRA) accounts	0.30	0.19	0.11
Fee Income			
Share draft checking, NSF fee	\$30.94	\$32.84	-\$1.90
Credit cards, late fee	\$24.56	\$34.18	-\$9.62
Mortgages, closing costs	\$1,151.00	\$1,361.00	-\$210.00

Source: Datatrac

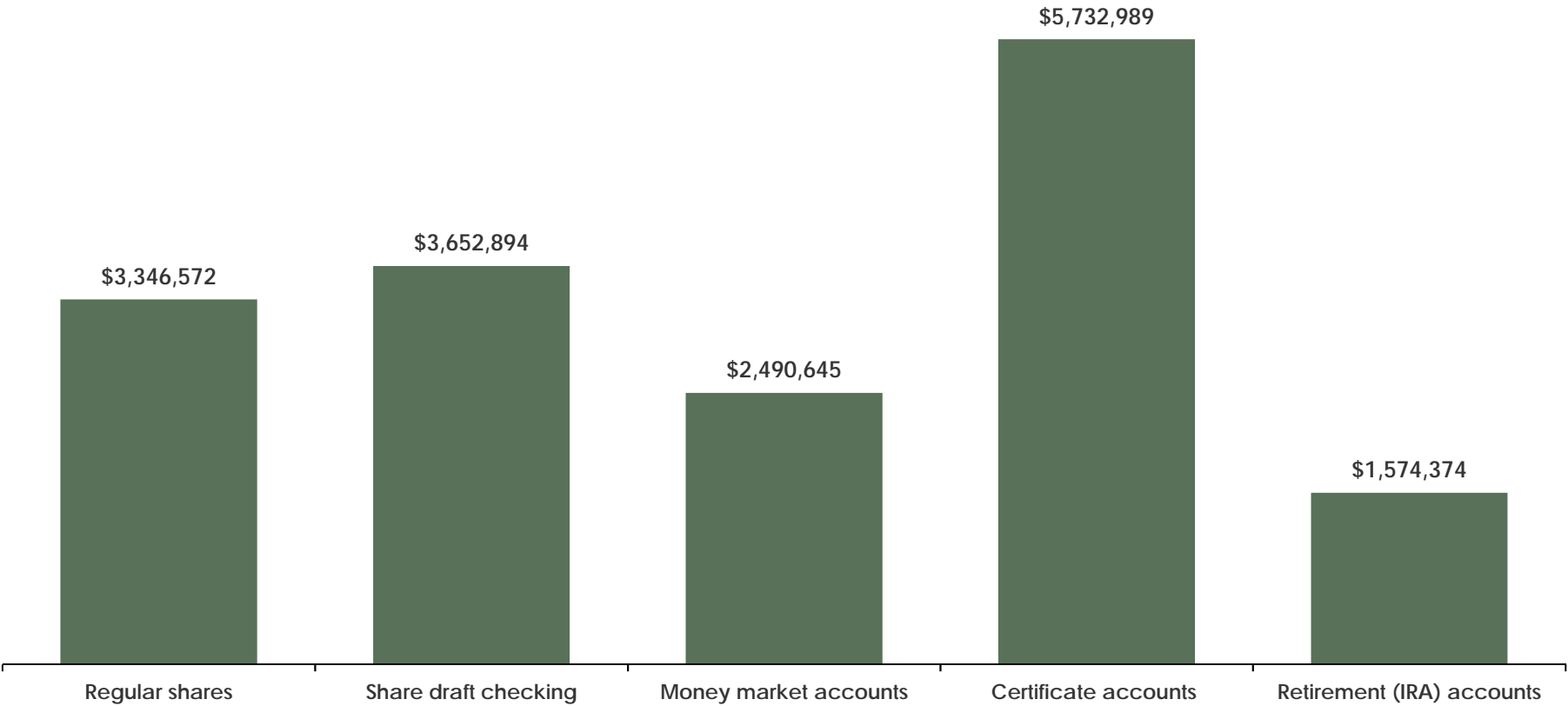
### State Credit Union's Total Loan Rate Benefits

Compared to State Banking Institutions  
by Loan Type



State Credit Union's Total Savings Dividend Benefits

Compared to State Banking Institutions  
by Account Type





## Estimated Financial Benefits for Indiana Credit Unions June 2017

Loans	Avg. Balance at Credit Unions (1)	Rate Difference vs. Indiana Banks (%) (2)	Total Financial Benefit to Your Members
New car loans	1,886,226,921	-0.92	\$17,353,288
Used car loans	5,096,144,290	-1.05	\$53,254,708
Personal unsecured loans	441,045,891	-1.36	\$6,011,455
5-year adjustable rate 1st mortgage	2,565,287,954	-0.16	\$4,130,114
15-year fixed rate 1st mortgage	2,745,452,283	-0.09	\$2,608,180
30-year fixed rate 1st mortgage	2,096,467,811	-0.04	\$922,446
Home equity / 2nd mortgage loans	1,319,519,908	-0.22	\$2,929,334
Credit cards	536,004,184	-5.40	\$24,213,989
Interest rebates			\$1,950,044
<b>Total CU member benefits arising from lower interest rates on loan products:</b>			<b>\$113,373,557</b>
<b>Savings</b>			
Regular shares	7,605,846,027	0.04	\$3,346,572
Share draft checking	3,765,870,532	0.10	\$3,652,894
Money market accounts	4,528,446,162	0.06	\$2,490,645
Certificate accounts	3,392,301,448	0.17	\$5,732,989
Retirement (IRA) accounts	1,405,691,318	0.11	\$1,574,374
Bonus dividends in period			\$0
<b>Total CU member benefit arising from higher interest rates on savings products:</b>			<b>\$16,797,476</b>
<b>Fee Income</b>			
<b>Total CU member benefit arising from fewer / lower fees:</b>			<b>\$22,465,164</b>
<b>Total CU member benefit arising from interest rates on loans, savings products and lower fees:</b>			<b>\$152,636,197</b>
<b>Total CU member benefit / member:</b>			<b>\$63</b>
<b>Total CU member benefit / member household:</b>			<b>\$119</b>

Source: Datatrac, NCUA, and CUNA

(1) Average balance as of June 2017 and June 2016, according to the NCUA call report.; (2) Source for rates and fees: Datatrac;

# Membership Benefits Report

CUNA Economics and Statistics

## Indiana Credit Union Performance Profile

Demographic Information	Jun 17	Jun 16
Number of branches	582	587
Total assets (\$ mil)	26,327	24,593
Total loans (\$ mil)	18,765	17,042
Total surplus funds (\$ mil)	6,430	6,512
Total savings (\$ mil)	22,141	20,709
Total members (thousands)	2,457	2,402
Growth Rates (Trailing 12 months) *		
Total assets	7.2 %	6.9 %
Total loans	10.2 %	9.7 %
Total surplus funds	-1.0 %	-0.6 %
Total savings	7.0 %	6.1 %
Total members	2.4 %	3.9 %
Earnings - Basis Pts. *		
Yield on total assets	326	322
Dividend / interest cost of assets	48	47
Fee & other income	162	158
Operating expense	342	354
Loss Provisions	24	21
Net Income (ROA) after stabilization exp	74	58
Capital Adequacy		
Net worth / assets	10.7	10.8
Asset Quality *		
Delinquencies / loans	0.5	0.5
Net chargeoffs / average loans	0.3	0.3
Total borrower-bankruptcies	17	18
Bankruptcies per 1000 members	1.1	1.2
Asset/Liability Management		
Loans / savings	84.8	82.3
Loans / assets	71.3	69.3
Long-term assets / assets	35.0	34.8
Core deposits/shares & borrowings	52.1	50.9
Productivity		
Members / potential members	6.9	7.7
Borrowers / members	50.9	50.2
Members / FTE	357	367
Average shares / members (\$)	9,013	8,621
Average loan balances (\$)	15,017	14,126
Salary & Benefits / FTE	65,403	63,765

\* Earnings, net chargeoffs, and bankruptcies are year-to-date numbers annualized. Due to significant seasonal variation, balance sheet growth rates are for the trailing 12 months.